

P-413, 421, 430, 407, 405, 426, 520/CP-88-856 ORDER SETTING
STIMULATION FACTOR AND GRANTING TIME EXTENSIONS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Marshall Johnson	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner

In the Matter of the Petition of
Certain Subscribers in the
Montrose Exchange for Extended
Area Service to the
Minneapolis/St. Paul
Metropolitan Calling Area

ISSUE DATE: February 7, 1994

DOCKET NO. P-413, 421, 430, 407,
405, 426, 520/CP-88-856

ORDER SETTING STIMULATION FACTOR
AND GRANTING TIME EXTENSIONS

PROCEDURAL HISTORY

On October 31, 1988, customers in the Montrose exchange filed a petition requesting extended area service (EAS) to the Minneapolis/St. Paul metropolitan calling area (the MCA). Montrose is served by the Lakedale Telephone Company (Lakedale).

Action on this petition was deferred for a time while exchanges lying between Montrose and the MCA were brought into the MCA.

On August 10, 1993, the Commission issued its ORDER REQUIRING TRAFFIC STUDY. In that Order the Commission found that Montrose is adjacent to the MCA and thus meets the first criterion of the EAS statute, Minn. Stat. § 237.161.

On October 18, 1993, the Commission issued its ORDER REQUIRING COST STUDIES AND PROPOSED RATES. In that Order the Commission found that more than 50% of Montrose customers place one or more calls per month to the MCA. The petition thus met the second requirement of the EAS statute. The Commission ordered Lakedale and the companies serving the MCA to submit cost studies and proposed rates within 90 days of the Order. The Commission also set timeframes for filings by the Department of Public Service (the Department) and other commenting parties.

On January 10, 1994, Lakedale asked the Commission to establish a stimulation factor for this docket. Lakedale also requested a 45-day time extension in which to file its cost studies and proposed rates.

The matter came before the Commission for consideration on February 1, 1994.

FINDINGS AND CONCLUSIONS

In recent decisions¹ the Commission has found that 4.0 is a reasonable stimulation factor for EAS petitions to the MCA. The Commission finds that the facts in this case are sufficiently similar to the aforementioned cases to render a 4.0 stimulation factor reasonable. The Commission will therefore establish a stimulation factor of 4.0 in this docket.

The Commission finds that Lakedale's request for a time extension is reasonable and should be granted. The additional time should allow the company to apply the stimulation factor set in this Order. No party will be prejudiced by the delay. The Commission will grant the time extension for Lakedale and for the other companies required to submit cost studies and proposed rates. The Commission will reestablish the time frames from the October 18, 1993 Order accordingly.

ORDER

1. Within 45 days of the date of this Order, Lakedale and the companies serving the MCA shall file their cost studies and proposed rates, using a stimulation factor of 4.0 and the parameters established in the October 18, 1993 Order. Lakedale shall also file its proposed lower priced alternative within 45 days of this Order.
2. Within 45 days of the filing of the above cost studies, the Department shall file its report and recommendations. Any party wishing to file comments regarding the Department's report shall do so within 20 days of its filing.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

¹ In the Matter of the Petitions of Belle Plaine, Cologne, New Prague and Waconia for Extended Area Service to the Minneapolis/St. Paul Metropolitan Calling Area, Docket Nos. P-405, 421/CP-86-55; P-407 et al./CI-90-441; P-520, 421/CP-86-537; P-430, 421/CP-86-5, ORDERS APPROVING STIMULATION FACTOR FOR SETTLE UP FILING (January 27, 1994).